

Dear Members of Congress,

I have written previously in support of HB 3376, and am now writing in hopes that you will include the provisions of HB 3376 in HB 5555.

I own and operate the Broadway Metro, a 7-screen cinema located in downtown Eugene, OR. My partners and I have been operating this and other cinemas serving our community for over two decades. Our cinema typically employs 20-25 staff members, and hosts a number of cultural events in addition to our regular art house cinema offerings— supporting community groups, and non-profit organizations such as the Eugene Film Society, DisOrient Asian American Film Festival, and Encircle Films. We also collaborate on programming with the University of Oregon Cinema Studies and Lane Community College Media Arts departments, Lane County Filmmakers Guild, and the City of Eugene to present year-round cultural and educational entertainment events in Eugene and Springfield.

As you can imagine, the effects of the pandemic and resulting state and county restrictions on our operation have been devastating. We are among the **vast majority of cinemas in Oregon that have suffered 90%+ in revenue losses, many of which have been forced to close permanently in the absence of federal aid** from the Shuttered Venue Operators Grant program, which-- after 4 months since its passage-- has still failed to materialize.

A year ago we were one of three independently-owned cinemas in Eugene; now we are the last, and we are hanging on by a thread.

To make matters worse for our particular situation, we recently expanded and are servicing over a million dollars in loans and leases, in addition to the \$25,000 monthly rent on our sizable downtown footprint. This not only means we have been accruing close to \$65,000 of debt monthly (against near zero revenues), but also means that the amount of relief funds so far have been predicated on 2019 grosses from a much smaller business model than our current one, and have thus been disproportionately small. Meanwhile, our landlord, banks, etc. have been allowed to collect in full. It's absolutely unconscionable that the richest among us are allowed to continue collecting debt from small businesses that are prohibited by the state from earning money.

For over a year, our industry suffered disproportionately from the Governor's and OHA's mandated restrictions. We have been alternately told we cannot operate at all, been limited to unsustainably low seating capacity, and even singled out with an inexplicable ban on concessions sales while restaurants and bars were allowed to serve food. It's no secret that the majority of our income is derived from concessions sales, and it's also worth noting that even **while technically allowed to operate at 50% capacity during low and moderate risk levels, overriding 6' distancing guidelines holds us closer to a cap of 15%**. For every couple that is seated, we must block off 14 empty seats around them to comply with the 6' rule, making it impossible to generate revenue from ticketed shows.

While we were not included in the \$25 million of relief funds for live performance venues last year, we've received loans from the PPP and EIDL, and a grant from the CRFCS, which helped get us caught up through June of 2020. Unfortunately, we've been in free-fall since then, and are approaching \$500,000 in back rent and overdue bills.

We have been and will continue to do our part to slow the spread of Covid-19, but we desperately need your help if we don't want to default on our bank loans and lose our business— and our homes— in the process.

Most of us are independents, personally managing operations at only one or two locations. We are active members of the communities our theaters serve. Federal funds haven't been sufficient for our industry, and we need help on the state level to bridge the growing gap, especially considering that the timeline for our industry's recovery is likely to be an unusually long one. Cinemas small and large are reliant on nationwide studio releases to maintain our business model, but no major films are likely to be released until the pandemic is under control. Our business model also depends on packed houses on weekends and evenings-- something that isn't likely to be allowed in the foreseeable future. **We desperately need funding included in HB 5555 not only to help service our fixed costs while we continue to hibernate during the coming months, but to invest in significant capital expenses that will be necessary as we approach re-opening.**

This investment in cinemas will go further than just our businesses and staff. Movie theaters serve as an economic multiplier— anchor businesses that drive foot traffic to bars, restaurants, and other surrounding small businesses, fostering cultural vibrancy and educating moviegoers along the way. Many of our remaining neighboring businesses that have managed to survive the past year rely on us to bring in customers, and if we close our doors they will likely follow suit.

I wrote previously in support of HB 3376, and am now writing in hopes that you will include the provisions of HB 3376 in HB 5555.

The provisions of HB 3376 bill are a critical lifeline for our industry, and our situation becomes more desperate with every day that passes. **Please include the provisions of HB 3376 in HB 5555, and help movie theaters** get the bare-bones funding we need to see this through, and begin rebuilding our cultural districts and small business communities.

Thanks for your time and consideration,
Edward

Edward Schiessl
Managing Director
Broadway Metro
43 W Broadway & 888 Willamette
Eugene, OR 97401